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Analysis of Naval Hospital Long Beach Efforts to Recoup Subsistence Cost from Referral of Active Duty Members to Civilian and VA Hospitals for Inpatient Care

by

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Submitted in partial fulfillment
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ABSTRACT

This thesis analyzes the efforts of Naval Hospital, Long Beach to recoup subsistence cost from the referral of active duty members to civilian and Veterans Administration hospitals for inpatient care. The analysis encompasses Fiscal Years 1990, 1991 and 1992 and begins by providing an overview of the Navy Medical Department. Additionally, pertinent background information directly related to the area of research is elaborated on to facilitate understanding. Particular attention is devoted to the Collection Agent, Admissions Office, and Command Referral Clerk operations and interactions. Pay Adjustment Authorization procedures are reviewed along with a glance at AQCESS MSA to ascertain whether the current version of software provides the existing capability to account for occupied bed days outside the hospital. A questionnaire is employed to gather the data necessary to evaluate the processes used at the hospital and estimate the amounts available for recoupment. Comparisons of the estimated amounts are contrasted against funding authority and reimbursables. The analysis concludes with a cost and benefit analysis, a brief observation of three other medical treatment facilities, and recommendations.

TABLE OF CONTENTS

I. INTRODUCTION

A. AREA OF RESEARCH

The area of research encompassed a comprehensive analysis of Naval Hospital, Long Beach efforts to recoup subsistence costs for inpatient care provided to active duty members by civilian and Veterans Administration (VA) hospitals. Naval Medical Treatment Facilities (MTFs) are financially responsible for active duty personnel referred for care to non-DoD health care facilities. Recoupment of subsistence cost increases MTF obligational authority.

B. RESEARCH QUESTIONS

Based on the findings from the analysis, do the results imply major financial implications for Naval Hospital, Long Beach and possibly Navy-wide for the Navy Medical Department? If the conclusions are negative, should MTFs still be required to collect these funds? If the conclusions are affirmative, should the Bureau of Medicine and Surgery (BUMED) direct MTFs to develop a formalized internal system to facilitate collection of these funds or should the guidance be provided centrally by BUMED for purposes of standardizing the process throughout the claimacy? Does the existing Medical Services Accounting (MSA) system permit establishment of patient accounts for these funds or does MSA require a system

modification? If system modification is required, would it be cost effective to proceed with changes to MSA? Are Naval Hospital, Long Beach personnel aware of these potential reimbursable funds?

C. SCOPE OF THE THESIS

The focus of the analysis was to estimate the total dollar amounts available for reimbursement back to Naval Hospital, Long Beach from referring active duty members (hereafter referred to as members) to civilian and VA hospitals for inpatient care during Fiscal Years 1990, 1991, and 1992. Specifically, an attempt was made to establish an audit trail, between source documentation and the financial records and reports of the activity. Other MTF reimbursements were not studied. These included reimbursements for inpatient and outpatient care received at the MTF by members. Additionally, the Third Party Collections (TPC) program was not studied nor were referrals for outpatient care and diagnostic test to civilian and VA hospitals examined.

To facilitate understanding of the process, a review of the procedures used to prepare pay adjustment authorizations was performed since these procedures are basically the same for both MTF hospitalization and referrals for civilian or VA hospitalization. Additionally, a review of the internal process used to admit, discharge, and refer members was examined. Also included was a step-by-step analysis of the

document flow between the Collection Agent, Admissions Office, and the Command Referral Clerk.

D. OBJECTIVES

The primary objective was to analyze available data gathered from the Naval Hospital, Long Beach (also referred to as MTF) and deduce conclusions with regards to potential dollars available from the collection of subsistence for members referred for civilian and VA inpatient care. The dollar amounts available for collection were subsequently compared against other reimbursables to ascertain their relative importance as a percentage of total reimbursables that increase obligational authority for the MTF. Additionally, the amounts were analyzed as a percentage of obligational authority of the MTF. Finally, a cost and benefit analysis was conducted to determine whether or not any benefits would be achieved given the software modification to AQCESS MSA. Based on the results of the examination, a recommendation was advanced on whether or not the dollar amounts represented significant enough justification to warrant collection action and modification of AQCESS MSA to facilitate collection of the uncollected amounts.

E. LITERATURE REVIEW AND METHODOLOGY

The research effort was not based on results of previous studies or ongoing studies. However, previous studies and audits have been conducted on other MTF reimbursements.

Data was gathered primarily through telephone communications and interviews with key individuals at the MTF. A questionnaire was designed for use as a tool to assist in guiding and facilitating the collection of pertinent information. The questionnaire focused on two primary areas. The first area consisted of a examination of internal management procedures used by the MTF to gather, collect, and input data into AQCESS MSA. Secondly, a detailed examination of source documentation was conducted was to estimate total potential funds available for collection. Actual data required to complete the research was obtained from Patient Administration Department and Fiscal Department located at the MTF. Data was accumulated and reviewed from fiscal years 1990, 1991, and 1992.

F. ASSUMPTIONS

For each day that a member is hospitalized in a MTF, a day of subsistence cost is charged. Current practices at the MTF do not take into account whether or not the member actually subsisted while as an inpatient at the hospital. The only exception to this is when a member's continuing treatment does not require a bed assignment at the MTF. The member is

allowed to subsist out and is not charged a day of subsistence cost.

The conclusions inferred from the analysis is contingent on an approved software modification to AQCESS MSA.

Additionally, the analysis assumes that the member is not financially penalized by MTF actions to collect, since the member's disbursing officer is responsible for providing commuted rations or reimbursement to the member.

G. DEFINITIONS

Active duty. Full-time duty in the active military service of the United States. This includes full-time training duty; service at a school designated as a service school by law or by the secretary of the military department concerned.

Admission. The act of placing an individual under treatment or observation in a hospital. The day of admission is the day on which the hospital makes a formal acceptance of the patient who is to be provided with room, board, and continuous nursing service in an area of the hospital where patients normally stay atleast overnight.

Automated Quality of Care Evaluation Support System (AQCESS). An interactive, menu-driven patient administration and quality assurance computer system which provides inpatient facilities with the capability to collect, store, and retrieve data important for day to day management. The system is

composed of four subsystems. These subsystems include Admission and Disposition, Clinical Records, Quality Assurance, and Medical Services Accounting (MSA).

Catchment Area. Defined geographic area served by a hospital, clinic, or dental clinic and delineated on the basis of such factors as population distribution, natural geographic boundaries, and transportation accessibility. For the Department of Defense Components, those geographic areas are determined by the Assistant Secretary of Defense (Health Affairs) and are defined by a set of 5-digit zip codes, usually within an approximate 40-mile radius of military inpatient treatment facilities [Ref. 1].

Commuted Rations. The monetary allowance given in lieu of subsistence to entitled personnel on leave or otherwise authorized to mess separately [Ref. 2].

Discharge. Formal release by a hospital, upon direction of a physician or through the death of the patient, of a patient who no longer requires inpatient care, or of a patient who voluntarily departs the hospital against medical advice. The day of discharge is the day on which the hospital formally terminates hospitalization.

Disbursing Office. An activity or organizational unit of an activity whose principal function consists of payment of military personnel, payment of civilian personnel, payment of public vouchers, and issuance of U. S. Savings Bonds.

Inpatient. An individual, other than a transient patient, who is admitted by a member of the medical staff for treatment or observation to a bed in a hospital.

Medical Services Accounting (MSA). Automated patient accounting system at navy MTFs used for billings, collections, and generation of monthly and quarterly reports.

Military Treatment Facility (MTF). Any duly authorized medical department center, hospital, clinic or other facility that provides medical, surgical, or dental care.

NAVCOMPT 2277. Voucher used for disbursement and/or collection of funds.

NAVCOMPT 3055. Military pay voucher.

Occupied Bed Day (OBD). A day in which a patient occupies a bed at the census taking hour. The following are counted as occupied bed days: days on pass or liberty not in excess of 72 hours, newborn infant days while occupying a bassinet, and days in the labor or delivery room. Additionally, an occupied bed day is credited whenever a patient is admitted and discharged on the same day, such as for same day surgery.

Referral for Civilian Medical or Dental Care (DD Form 2161. A document used to refer active duty personnel for civilian or VA care. This document establishes a legal obligation for the MTF.

Subsistence Rate. Pre-determined daily rates established by the Department of Defense annually for meals provided to

individual patients while hospitalized. These rates are used by the hospital to obtain reimbursement.

Subsisting Out. The nonleave status of an inpatient who is no longer assigned a bed. These days are not counted as occupied bed days. Inpatients authorized to subsist out are not medically able to return to duty but their continuing treatment does not require a bed assignment.

Supplemental Care. Encompasses inpatient and outpatient care augmenting the capability of a naval MTF. When medical and dental management of a patient is retained by a naval MTF and required care is not available at that facility, any additional material, professional diagnostic or consultative services, or other personal services ordered by qualified uniformed service providers, and obtained for the care of that patient are supplemental [Ref. 3].

H. CHAPTER OUTLINE

Chapter II provides an overview of the Navy Medical Department and its mission. The emphasis in this chapter is primarily on the organizational structure and functions of the MTF with regards to principal personnel and departments directly or indirectly involved with collection of the funds. The history of the MTF along with a list of current services provided by the MTF are also mentioned. Workload data, MTF staffing, and bed capacities are briefly alluded to in this chapter.

Chapter III provides background information on the area of research. The chapter includes an outline of the process used at the MTF to bill and collect subsistence cost. Pay Adjustment Authorizations, DD Form 139 procedures are reviewed at length since this represents the most common method of collecting these funds. Also included in this chapter is a profile of the existing AQCESS Medical Services Accounting (MSA) system used by the MTF for maintaining patient accounts. The chapter concludes with a short discussion on previous efforts by the MTF to collect these funds.

Chapter IV addresses the research methodology employed to gather data for the analysis. Part I and II of the survey instrument is discussed. The chapter identifies the step by step process used to arrive at the dollar estimates. Chapter IV also identifies the major findings from the research.

Chapter V summarizes the results of the analysis. This chapter also provides general comments on similar findings found at 3 other MTFs by employing Part I of the questionnaire. Additional, the chapter provides recommendations regarding the findings and conclusions.

II. NAVY MEDICAL DEPARTMENT

A. MISSION OF THE NAVY MEDICAL DEPARTMENT

Currently, there are forty-three naval hospitals and medical clinic commands within the Navy Medical Department. The mission of the Navy Medical Department is to ensure the health of Navy and Marine Corps personnel so that they are physically and mentally ready to carry out their worldwide mission. This involves establishing, executing, and managing policies and procedures supporting their operational readiness and sustainability in any environment. Included are health promotion; care and treatment of sick and injured active duty personnel; education and training programs for medical department personnel; mission-relevant medical research; and prevention and control of diseases and injuries. As resources permit, care and treatment are provided to dependents of active duty and retired members and their dependents. Treatment is also offered for on-the-job injuries and illnesses of federal civilian employees [Ref. 4].

1. Bureau of Medicine and Surgery

The Chief, Bureau of Medicine and Surgery (who is also the Surgeon General of the Navy), under the command of the Chief, Naval Operations, commands the Bureau of Medicine and Surgery and shore activities as assigned by the Chief of Naval

Operations. Refer to Appendix A for organization chart [Ref. 5].

a. Functions

- Provides medical and dental care and services as authorized by law or regulation in medical and dental activities.
- Provides for medical and dental care in non-naval facilities of Navy and Marine Corps personnel, other uniformed services personnel, their dependents, eligible survivors of deceased members, Federal civilian employees, and other categories of persons authorized by law or regulation.
- Plans and programs the health care resources provided by the bureau through all medical and dental activities under its command.
- Conducts medical and dental inspections of activities commanded by the bureau.
- Provides professional and technical guidance over design, construction, and equipping of medical and dental facilities.
- Initiates and conducts research, development, test, and evaluation efforts in biological and medical sciences, behavioral and social sciences, life sciences, technology, health education and training, health manpower productivity, and operational medical support systems in response to approved Navy and Marine Corps RDT&E requirements.
- Provides professional and technical guidance over performance requirements, procurement, and utilization of medical, dental, and mortuary supplies and equipment.
- Furnishes to higher authority information and budget estimates relating to research projects and programs.

2. Naval HealthCare Support Office

Naval HealthCare Support Offices support the Surgeon General/Chief, Bureau of Medicine and Surgery in the delivery

of medical and dental care in the Navy by providing technical assistance and support to activities of the Navy Medical Department in the assigned area; to provide specified assistance and support services in professional technical matters, resource management, contingency planning, and logistical coordination; to provide technical assistance in healthcare matters to Responsible Line Commanders and echelon two line commanders as requested, and to perform other services, functions, and tasks as may be directed by higher authority [Ref. 6].

There are 5 Naval Healthcare Support Offices. Naval Healthcare Support Office, San Diego is the cognizant Healthcare Support Office for Naval Hospital, Long Beach. Refer to Appendix A for organization charts and functional relationships with BUMED, MTF, and Responsible Line Commander (RLC).

a. Functions

- Assist MTFs and BUMED in coordinating plans, setting objectives, recommending priorities, and developing procedures to meet the healthcare needs of Navy and Marine Corps personnel, their dependents, and other authorized beneficiaries.
- Provide support for planning, programming, budgeting, budget execution, audit liaison, financial performance management, accounting services, and manpower management for MTFs.
- Performs regularly scheduled and requested assistance visits to MTFs to assess delivery of healthcare to all Navy and Marine Corps activities and beneficiaries.

- Encourages innovation and continual improvement by developing new or improved methods and procedures and by assisting MTFs in initiatives to improve services.
- Maintains liaison and provides assistance in healthcare matters with line commands to which MTFs report for military command and control.
- Maintains liaison with the Naval Office of Medical/Dental Affairs to assist in local coordination of the nonnaval medical and dental care program, the Decedent Affairs Program, and for assistance in coordination of patient administration matters in the direct care system.

3. Navy Medical Treatment Facilities

a. Medical Center

A medical center is a large hospital which has been so designated and appropriately staffed and equipped to provide health care for authorized personnel, including a wide range of specialized consultative support for all medical facilities within the geographical area of responsibility. Additionally, a medical center, when designated, conducts post graduate education in health professions. Several examples of MTFs meeting this criteria include Naval Hospital, San Diego, Naval Hospital, Portsmouth, Naval Hospital, Great lakes, and National Naval Medical Center, Bethesda.

b. Hospital

A hospital is a health care treatment facility capable of providing definitive inpatient care. It is staffed and equipped to provide diagnostic and therapeutic services in the field of general medicine and surgery, preventive medicine services, and has the supporting facilities to perform its

assigned mission and functions. Examples include Naval Hospital, Long Beach, Naval Hospital, Camp Pendleton, Naval Hospital, Pensacola, and Naval Hospital Charleston. These facilities represent approximately 33% of navy MTFs located within the continental United States.

c. Clinic

A clinic is a health care treatment facility primarily intended and appropriately staffed and equipped to provide emergency treatment and ambulatory services. A clinic is also intended to perform certain nontherapeutic activities related to the health of the personnel served, such as physical examinations, immunizations, medical administration, and preventive medicine services necessary to support a primary military mission. A clinic may be equipped with beds for observation of patients awaiting transfer to a hospital, and for care of cases which cannot be cared for on an outpatient status, but which do not require hospitalization. Such beds are not considered in calculating occupied days for the analysis. Examples include Naval Medical Clinic, New Orleans, Naval Medical Clinic Annapolis, Naval Medical Clinic, Quantico, and Naval Medical Clinic, Key West. These small facilities represent approximately 50% of total navy MTFs within the continental United States.

B. HISTORY OF NAVAL HOSPITAL LONG BEACH

Construction of the MTF commenced April 1964. Official commissioning of the MTF was February 1967. The hospital initially had a five floor structure with a 350 bed capacity.

During the Vietnam conflict, the MTF, with its support facilities, Naval Station Dispensary and Hospital Ship REPOSE, served as primary debarkation point for returning personnel.

In July 1972, ground was broke for an additional 220 bed nursing wing, outpatient care area and administrative wing. Construction was completed September 1973 and official dedication of the outpatient pavilion and nursing wing was November 1974.

The MTF was designated as Naval Regional Medical Center, Long Beach in July 1972 and redesignated as Naval Hospital in April 1983.

Current staffing includes 165 Officers, 772 Enlisted and 325 civilians. Bed capacities are as follows:

- 113 staffed
- 234 licensed
- 562 expanded

1. Branch Medical Clinics

Branch Medical Clinic, Naval Station, Long Beach currently occupies a modern facility opened August 1988. The clinic provides outpatient and minor emergency services with

occupational health services to Naval shipyard workers. The clinic combined outpatient visits for Fiscal Year 1991 were 51,452.

Branch Medical Clinic Annex, Seal Beach provides sick call and occupational health services to approximately 1,200 civil service and 200 military personnel.

Branch Medical Clinic Annex, Fleet Activity Training Center, Corona provides occupational health services to eligible personnel assigned to the activity.

Branch Medical Clinic, Naval Weapons Center, China Lake, located 180 miles from the main MTF, provides outpatient care for approximately 1,100 active duty, 4,800 dependents and retired individuals and 5,500 civilian personnel.

NAVCARE Clinic, Tustin opened in July 1988 and provides outpatient services to all eligible military beneficiaries, active duty, retired, and dependent personnel.

2. Workload

Naval Hospital, Long Beach supports a catchment area population of approximately 150,000 eligible beneficiaries and is the only MTF between Camp Pendleton and Fort Ord. During Fiscal Year 1991, the MTF had 3,531 admissions and 224,801 outpatient visits.

C. SERVICES AVAILABLE AT NAVAL HOSPITAL LONG BEACH

Operating hours are from 0800 to 1630 Monday through Friday, except holidays. Most appointments are scheduled through the Central Appointments Desk.

The MTF operates a Level III Emergency Medical Department 24 hours a day, 7 days a week. Medical care is limited to non-life threatening situations. See Appendix B for a list of current services provided by the MTF.

D. ORGANIZATIONAL STRUCTURE OF NAVY HOSPITAL LONG BEACH

The MTF is divided into 5 directorates. These include the Directorate for Administration, Directorate for Nursing Services, Directorate for Pastoral Care, the Medical Directorate, and Directorate for Occupational Health Services. At some MTFs, the Medical Directorate is subdivided into the Directorate for Surgical Services and Directorate for Ancillary Services. Refer to Appendix A for organization charts.

These directorates are further broken down into departments. Each department is further subdivided into divisions, branches, and sections.

1. Principal Personnel

The below personnel are key individuals within the MTF that provide direct and indirect support to the success of collecting funds for subsistence cost. The most important

being the Collection Agent, Admissions Clerk, and Command Referral Clerk.

a. Commanding Officer

The Commanding Officer is charged with accomplishing the economic, effective, and efficient performance of functions and operations of the MTF in accordance with U. S. Navy Regulations, the Manual of the Medical Department, and other directives issued by competent authority. The Commanding Officer is responsible for the professional care and services provided to patients in the hospital and for the safety and well-being of the entire command. The Commanding Officer provides subsistence and lodging in the MTF to those persons authorized such by law or by permission of the Chief, Bureau of Medicine and Surgery. The Commanding Officer also authorizes and directs utilization of supplemental services and supplies from civilian and VA sources when a patient being provided inpatient or outpatient care at the hospital requires medical care beyond the capabilities of the MTF.

b. Director For Administration

The Director for Administration as staff advisor to the Commanding Officer directs operation and coordination of the administration and management operating functions of the MTF. The Director for Administration advises the Commanding Officer on all matters pertaining to management of

hospital finance, manpower management, information systems, facilities operations, inpatient/outpatient administration, operating management, civilian personnel administration, materials management, food service management, morale-welfare recreation programs, education and training, and legal.

c. Comptroller

The Comptroller is directly responsible to the Commanding Officer as special advisor and consultant to the command for management of financial resources of the MTF. Also, the Comptroller advises and makes recommendations concerning fiscal policies, costs, appropriate accounting, and other fiscal systems and procedures to produce data reflecting the fiscal experience and current financial position of the hospital.

d. Admissions Clerk

The admissions clerk is responsible for gathering pertinent information from the member prior to admission into the MTF. This includes a verification check for eligibility for care, billing information, and location of current duty station. The admissions clerk is also responsible for input of data in AQCESS MSA.

e. Collection Agent

The collection agent works directly for the financial analyst in charge of branch operations and is responsible for collection of official funds, including funds

held as safekeeping deposits at a point other than the disbursing office [Ref. 6].

f. Command Referral Clerk

The Command Referral Clerk (CRC) is responsible for the day to day execution of duties associated with tracking members referred to civilian and VA hospitals for inpatient care. This responsible includes maintaining continuous liaison with civilian and VA hospitals as well as personnel assigned to the Fiscal Department.

2. Principal Departments

a. Fiscal Department

The Fiscal Department is responsible for administering a sound financial system; budgeting for and securing resources; preparing, directing, coordinating, and implementing the Commercial Activities Program; and maintaining an integrated system of financial management that will provide the Comptroller and Commanding Officer factual data essential for effective management control and that will provide financial information for the purpose of reporting to higher authority. The Fiscal Department is divided into the Budget and Statistics, the Commercial Activities, and the Financial Management Divisions. The Financial Management Division is divided into the Collection Agent, Financial Management, and the Plant/Minor Property Branches [Ref. 7].

(1) Collection Agent Branch. The Collection Agent Branch is headed by a Financial Analyst, GS-07. The Collection Agent bills for, collects and deposits all cash and payment in-kind received for payment of services rendered for inpatient and outpatient services; all cash and payment for private insurance billing; cash sale of meals; collection for unofficial telephone calls, reproduction of records and other miscellaneous items; determines eligibility of and prepares correspondence for write-off or transfer of uncollectible accounts; prepares reports for internal management and reports to higher authority; maintains and balances control ledgers, assists the public in liquidating individual patient accounts; sets up payment plans as needed; performs follow-up action on unpaid accounts; processes and deposits overpayment of supplemental health bills. Collection Agent functions are performed by using the Medical Services Accounting (MSA) subsystem of AQCESS.

b. Patient Administration Department

The Patient Administration Department provides for and coordinates all administrative matters related to the admission and disposition of inpatients/outpatients; processes inpatient records and medical boards; prepares correspondence, reports, and statistics pertaining to the professional care and treatment of patients; receives, stores, and releases

patients' personal effects; and performs the personnel records function for non-Navy active duty military patients.

The Patient Administration Department is divided into an Outpatient Administration Division and Patient Personnel Services Division. The Patient Personnel Services Division is subdivided into a Medical Holding Company Branch, a Medical Information Services Branch, a Medical Records Processing Branch, a Patient Personnel Services Branch, and an Admissions Office.

(1) Admissions Office. Responsible for all administrative matters related to the admission and discharge of a member from the hospital. This includes gathering pertinent patient information for determining eligibility, health insurance information and billing information. Admissions Office personnel are also responsible for input of patient data in AQCESS MSA.

This chapter has provided an overview of the Navy Medical Department organizational structure. In terms of size, dollars spent, and geographical dispersity, the Navy Medical Department is one of the largest healthcare organizations in the world. The primary organizational players within the Department are BUMED, the HSO, and the MTF. Within the MTF, Fiscal and Patient Administration are the principal departments relevant to the area of research. The collection agent, admissions clerk, and CRC are key positions

within the departments directly responsible for data collection and billing of the member.

The next chapter provides background information on several important programs and concepts to facilitate understanding of the research area. Some of the main concepts discussed in this chapter include hospital reimbursements, the automated patient accounting system, and pay adjustment authorization procedures employed by the MTF.

III. BACKGROUND

A. SUPPLEMENTAL CARE

Supplemental Care of all members at navy expense, encompasses inpatient or outpatient care augmenting the capability of a naval MTF treating a member. Such care is obtained from civilian and VA treatment facilities through referral by the treating naval MTF. If a member is admitted to or is being treated on an outpatient basis at any MTF, all supplemental care is the financial responsibility of that facility regardless of whether the facility is organized or authorized to provide needed health care. The cost of such care is chargeable to operation and maintenance funds (OM&N) available for operation of the MTF regardless of service affiliation of the member.

For Fiscal Years 1990, 1991, and 1992, Naval Hospital, Long Beach spent $833,000, $3,000,000, and $2,135,000 respectfully on supplemental care. These amounts do not include referrals to the VA. On average, these figures represented approximately 7% of the MTF operating budget and approximately 10%-15% when VA referrals were included.

The following major categories of inpatient care were referred to civilian and VA treatment facilities by the MTF.

- Medical
- General Surgery
- Orthopedics
- Psychiatry
- Obstetrics/gynecology

B. HOSPITAL REIMBURSEMENTS

Some reimbursements increase obligational authority for an activity. The following reimbursements were identified as funds that increased the obligational authority of the MTF. Officer and Enlisted subsistence rates for each fiscal year under review are displayed in Table 1.

TABLE 1. SUBSISTENCE RATE

FY90	FY91	FY92
$4.10	$4.90	$4.80

- Third Party Collections Program.
- Cash Sale of Meals from personnel eating in the MTF dining facility.
- Civilian Humanitarian, Non-Indigent (CHNI) care.
- Subsistence reimbursement from dependents, active duty, and retired personnel.

C. MEDICAL SERVICES ACCOUNTING (MSA) SYSTEM

This newly automated accounting system is used by the Collection Agent Office for managing patient accounts. MSA is a subsystem of AQCESS [Ref. 8].

When a patient is registered in AQCESS, a patient category is assigned. This patient category specifics what the daily charge rate for subsistence will be for that patient for each inpatient charge day.

AQCESS automatically reviews, ages, and updates all MSA accounts on a nightly basis. For each current inpatient, AQCESS charges his or her account for one more day. AQCESS also reviews all account statuses, and updates those patient accounts by transferring, sending a pay adjustment authorization (DD Form 139), or a delinquent letter for those patient accounts due.

AQCESS MSA provides three forms of reports: Nightly, Monthly, and Special Reports produced on request.

D. ACTIVE DUTY ENTITLEMENT WHILE HOSPITALIZED

For the period beginning at 0001 on the day after the day of arrival at the MTF concerned and ending at 2400 on the day before the day of departure, the member is entitled if admitted as an inpatient to a per diem allowance equal to the actual daily charges paid for meals. The member is required to support the claim for reimbursement with receipts or, if receipts are not issued by the hospital, by an itemized statement of daily charges paid [Ref. 9].

Members not receiving commuted rations prior to hospitalization are reimbursed by the disbursing office servicing the member's pay account upon presentation of a

subsistence bill or receipt from the MTF. Members already receiving commuted rations are not reimbursed for subsistence cost. In the case of a member receiving commuted rations, if the MTF neglects to collect the subsistence cost, the member is in fact receiving a dual entitlement. This occurs because the member is already receiving money for food as a part of monthly salary and is also subsisting at MTF expense while hospitalized. Members not receiving commuted rations must ensure that the disbursing officer reimburses the amount deduct from a pay adjustment authorization. If not, the member shoulders the burden of the subsistence cost while hospitalized at MTF expense.

E. METHODS OF PAYMENT

A member has several alternatives available for making payment. Payment for subsistence cost incurred while hospitalized can be paid in cash, by credit card, by personal check, or voluntary and involuntary pay adjustment authorizations. Voluntary and involuntary pay adjustment authorizations are used approximately 90% of the time to pay subsistence charges. The following section discusses and describes the procedures involved in performing a pay adjustment authorization.

F. PAY ADJUSTMENT AUTHORIZATIONS

Voluntary and involuntary pay adjustment authorizations of a member's pay for unpaid subsistence charges are permitted by the Department of Defense Pay Manual (DODPM) and Navy Pay and Procedures Manual. The Navy Pay and Procedures Manual also permits the adjustment of a member's pay for recoupment of subsistence entitlement received while hospitalized. The pay adjustment procedures described below focus on recoupment from active duty members hospitalized in a MTF.

Upon admission, the member is notified in writing of the appropriate daily subsistence rate and that payment will be requested upon discharge. The member is also advised that unless payment is made upon discharge, a voluntary pay adjustment will be requested or a payment schedule arranged with the collection agent.

Upon discharge, the active duty member is presented a statement of charges and requested to pay in full. If the member requests a pay adjustment, the collection agent prepares a DD Form 139, requests the active duty member's signature, and requests remittance be made by Treasury check payable to the MTF.

If upon discharge the member does not pay the bill, request a pay adjustment, or make arrangements to pay, an involuntary pay adjustment is forwarded to the disbursing officer requesting that the member's pay be adjusted without the member's consent [Ref. 10].

G. PAY ADJUSTMENT PROCEDURES USED BY THE MTF

MTFs provide a range of inpatient and outpatient services. The level of services provided hinges on staffing, resources, medical equipment, and facility capacity. Staffing deals essentially with number of health care providers, specialty of the providers, and support staff (i.e., nursing, administration). The following is a description of the process utilized at Naval Hospital, Long Beach.

Members enter the MTF either through the emergency room, by referral from other MTFs, or through one of many specialty clinics located internal or external to the MTF. A qualified health care provider examines the member and determines the care necessary. Subsequently, the provider determines whether or not care can be rendered on an inpatient or outpatient basis. If hospitalization is required, a determination on whether or not the care can be provided in-house is made. If the MTF has the in-house capability, the member is sent to the Admissions Office for completion of all necessary paperwork.

The Admissions Office is immediately adjacent to the Emergency Room. While at the Admissions Office, the admissions clerk verifies eligibility and inputs pertinent patient information into the Automated Quality of Care Evaluation Support System (AQCESS) used at the MTF. Concurrently, the clerk establishes a patient account in MSA. The admissions clerk is the only person authorized to admit and discharge patients from AQCESS MSA. After information is

entered in MSA, daily subsistence cost are automatically accumulated for each day of hospitalization.

Prior to departing the MTF, the member is sent back to the Admissions Office for discharge and subsequently sent to the Collection Agent Office to pay the total subsistence cost incurred during hospitalization. The member is given the option to pay or have a pay adjustment prepared and forwarded by the MTF's Collection Agent to the disbursing officer maintaining the member's pay account. Upon receipt of the pay adjustment authorization, DD Form 139, the disbursing officer prepares a NAVCOMPT 3055 and issue a Treasury check payable to the hospital that issued the DD Form 139. The Collection Agent then prepares a voucher for deposit crediting the amount back to the hospital. The amount increases the total obligational authority for the MTF.

H. COLLECTION OF SUBSISTENCE FROM REFERRAL

In February 1989, an internal study was conducted by the Financial Management Division of the MTF to determine whether or not subsistence cost for member's being referred for civilian and VA hospitalization were being recouped. The results indicated that funds had not been collected since Fiscal Year 1987 by the MTF. Consultation with other MTFs by the Financial Management Division revealed the same results. None of the MTFs contacted were familiar with the provisions to collect the funds.

Several problems were identified at the time of the study which impeded successful collection of the funds.

- Personnel unfamiliar with the provision to collect.
- Manual accounting records were required to account for the funds.
- Monthly reports generated by the Collection Agent System for hospitals (CASH) excluded the amounts being maintained manually and did not reflect in the MTF financial reports.
- Preparation of manual pay adjustment authorizations were time consuming.
- The current automated collection system was being replaced by MSA, which precluded the use of funds for modification of the existing, antiquated system.
- Necessary documents and data were not being provided to the Collection Agent.
- Major backlog of outstanding accounts.
- No current addresses available to forward pay adjustment authorizations to since many of the members had subsequently been discharged from the service or transferred to other commands.

This chapter provided an overview of key programs and pertinent background information closely related to the area of research. AQCESS MSA was briefly introduced along with the types of reimbursement that increase obligational authority for the MTF. Pay adjustment authorization procedures were discussed at length. The chapter also outlined the procedures used by the MTF to collection subsistence cost for inpatient care provided in-house.

The following chapter begins by discussing the approach used to gather data at the MTF and the survey instrument

employed to collect data. The chapter also outlines the findings from the analysis and briefly discusses the significance of the data.

IV. ANALYSIS AND DISCUSSION

A. THE SURVEY INSTRUMENT

The analysis was conducted over a two week period. Data collection was primarily acquired through telephone interviews with key personnel and review of source documentation provided by the MTF. The interviews were subsequently followed by a one day site visit to the MTF. The primary purpose of the site visit was to observe and substantiate information already gathered through the survey medium. Personnel from both the Fiscal Department and Patient Administration Department were interviewed again to elucidate and expand on information already accumulated. The site visit also afforded an opportunity to observe AQCESS MSA in operation by the staff of the Admissions Office and Collection Agent Branch.

Additionally, data regarding AQCESS MSA was obtained through telephone consultation with the assistant project officer located at the Naval Medical Information Management Center, Bethesda, Maryland.

The survey instrument, a comprehensive questionnaire, addressed two major areas. Part I focused on inner processes employed by the MTF and any internal literature to support the processes. Part II concentrated on the accumulation of data to calculate the amounts available for recapture by the MTF.

1. Part I

Part I of the questionnaire focused primarily on working relationships and interaction between the Collection Agent Branch and the Admissions Office. The Command Referral Clerk duties and responsibilities were also evaluated. Included in Part I was a review of local guidance and operating procedures used by the above functional areas at the MTF. The following general questions were directed to the staff of these respective areas.

- Do the Collection Agent Office and Admissions Office possess local directives and standard operating procedure manuals delineating the operations of each respective area?
- Do staff members within these areas have a explicit understanding of their duties? Are position descriptions written for each position?
- Do local directives and standard operating procedures address the issue of collecting subsistence cost for members referred by the MTF for inpatient care at civilian and VA hospitals? Are personnel within the respective areas familiar with this provision? If so, are actions taken to initiate collection of the funds?
- Has training been provided to personnel using the AQCESS MSA system?
- Were personnel within the respective areas knowledgeable of the general procedures used to originate a system change request for AQCESS MSA?
- Were copies of the report generated by the Command Referral Clerk for civilian and VA referrals for inpatient care sent to the Collection Agent and Admissions Office? If so, how often.
- Did personnel within the three functional areas understand the purpose of the information contained in the civilian and VA referral report generated by the Command Referral Clerk?

In conjunction with the above examination, the procedures used to gather, input data, bill, and collect subsistence cost were dissected and analyzed to the determine the total length of time needed to handle one patient account. The purpose of this portion of the questionnaire was to lend assistance in performing a cost and benefit analysis.

2. Part II

Each record or episode of an inpatient referral in the databases maintained by the Fiscal Department were reviewed. This information wa supported by source documents on file at the MTF. The files included requisitions and Referral for Medical/Dental Care documents. Also included were any outstanding obligations owed to the referral facilities and any payments already made by the MTF. The following information was maintained in the database by individual referral.

- Member's name and rank.
- Duty Station.
- Hospital referred to.
- Type of care referred for.
- Date of admission if referred for inpatient care.
- Date of discharge if referred for inpatient care.
- Estimated cost of care.

The data was first sorted by inpatient, outpatient, and other categories. Afterwards, the data was separated by major types of care. Each record was subsequently examined to determine the number of occupied bed days for the episode of care. This was accomplished by taking the difference between date of admission and date of discharge. The individual amounts were subtotalled to obtain total occupied bed days for each category of inpatient care. These categories were summed to arrive at total occupied bed days for the three fiscal years. The totals were then multiplied by the applicable subsistence rate to calculate total potential dollars available for recoupment by the MTF.

B. MTF KNOWLEDGE OF THE RESEARCH AREA

The following findings were noted with regard to internal processes used to gather, input, and collect data along with staff personnel familiarity with the area of research.

- The MTF possessed command directives outlining the duties of the Collection Agent Office, Admissions Office, and the Command Referral Clerk. Each directive reviewed was current.
- The Collection Agent directive addressed the issue of collections for inpatient referrals. The directive referenced the Navy Pay and Procedures Manual. However, Collection Agent personnel were unaware that the provision was contained in the local directive.
- The Collection Agent and the Admissions Clerk did not know whether or not MSA allowed establishment of an inpatient account for a referral that required hospitalization.

- Admissions Office personnel were unaware that subsistence could be collected for inpatient referrals.

- Since the MTF was not collecting these funds, an audit trail could not be established between source documentation and the financial records and reports of the activity.

- Detailed position descriptions and desktop standard operating procedures were written for each position.

- AQCESS MSA training was limited to on-the-job and work exercises resident within AQCESS MSA. Personnel within the respective areas were not familiar with the procedures used to request a system change to AQCESS MSA. Whenever a problem developed, the end users either contacted the AQCESS MSA supervisor located in the Management Information Department, or used a 1-800-number to request assistance. The AQCESS MSA supervisor was familiar with the procedures necessary to initiate a system change request. Many of the minor problems were handled through telephone communications between the MTF AQCESS MSA supervisor and the system project officer.

- Copies of the referral report generated by the Command Referral Clerk were sent to each of the respective areas on a daily basis. Personnel in both the Collection Agent and the Admissions Office were unaware of the purpose of the report.

C. REFERRAL PROCESS

The data necessary to perform the analysis was accessible in both the Patient Administration Department and the Fiscal Department. The Command Referral Clerk (CRC), located within the Patient Administration Department was responsible for keeping track of members for which the MTF was financially responsible for at civilian and VA medical treatment facilities. The primary duty of the CRC was to maintain liaison with VA and civilian medical treatment facilities to ensure that members were not being hospitalized at government

expense longer than necessary. This important responsibility required the CRC to maintain continual contact with the facilities to stay abreast of the member's current medical status. The CRC was the focal point at the MTF for all referrals regardless of whether the referral originated from within the MTF, from one of the MTF branch medical clinics, or if the member was transported directly to the VA or civilian medical treatment facility because of an emergency.

The CRC was also responsible for preparing and forwarding important documents to Fiscal Department. A copy of the Referral for Civilian Medical/Dental Care, DD Form 2161 was used to establish a legal financial obligation on the MTF's accounting records. Also included was DD Form 1149, which provided estimates of the length of stay and the dollar amount of the hospitalization.

The CRC prepared a daily report listing each member that was an inpatient at a VA or civilian medical treatment facility. The report included the member's name, rank, social security number, duty station, date of admission, and upon release from the treatment facility, date of discharge. The information provided in this report was one of the recommendations implemented by the MTF after the informal review conduct in 1989 concluded that this information was necessary in order to pursue reimbursement for referrals for inpatient care. At the time of the review, Collection Agent

personnel were responsible for manually preparing the pay adjustment authorizations.

Two positions within the Fiscal Department were responsible for tracking and maintaining cost information on all referrals. The cost information was maintained on two separate databases. One of the positions, designated as a budget assistant, was located within the Budget and Statistics Division and was responsible for tracking the cost of referrals to the VA. The other position, designated as a voucher examiner/supplemental care, was located in the Commercial Activities Division and was responsible for tracking the cost of referrals to civilian treatment facilities. Both positions also functioned as a point of contact for the MTF on matters related to payment of bills for members that the MTF was financially responsible for.

Personnel currently occupying the positions of CRC, Admissions Clerk, and Collection Agent were unaware that one of the primary purposes of the information provided in the daily report was to serve as a mechanism for collecting subsistence cost from inpatient referrals.

D. DATA ANALYSIS

Table 2 summarizes the results for each fiscal year. The dollar amounts represent additional obligational authority for the MTF. The most significant category of referral was for inpatient psychiatry care. Inpatient psychiatry care

represented 92%, 84%, and 80% of total occupied bed days for each fiscal year respectfully. The VA accounted for 98%, 64%, and 79% respectfully of total psychiatry inpatient occupied bed days.

The MTF did not become financially responsible for Obstetrics/gynecology until Fiscal Year 1991. Prior to this, the care was paid by the Office of Medical Affairs.

TABLE 2

OCCUPIED BED DAYS FOR REFERRALS

	FY90	FY91	FY92
MEDICAL	162	198	242
GENERAL SURGERY	14	36	10
ORTHOPEDICS	4	198	10
PSYCHIATRY	2,047	3,083	2,389
OB/GYN	0	261	304
TOTAL OCCUPIED BED DAYS	2,227	3,685	2,985
SUBSISTENCE RATE	**$4.10**	**$4.90**	**$4.80**
UNCOLLECTED AMOUNT	$9,130	$18,057	$14,328

The dramatic increase in occupied bed days between Fiscal Years 1990 and 1991 for psychiatry care occurred during the

Gulf War crisis. The amount decreased again in Fiscal Year 1992.

The other categories of inpatient care on average, represent approximately 9% of the total occupied bed days. The only category of inpatient care that displays an increasing trend is medical. Occupied bed days for this category is increasing at a rate of 22%. This increase is negatively correlated with the number of health care providers and support staff of the MTF.

E. REIMBURSABLES

Table 3 is a synopsis of the categories of reimbursements that increase MTF obligational authority. The uncollected amounts in Table 3 for cash sale of meals, CHNI care, TPC, and subsistence were obtained from MTF financial records for each respective year. The TPC amounts reflect funds collected from dependents and retirees possessing health insurance policies other than CHAMPUS and Medicare considered primary insurers. Cash sale of meal amounts are from sale of meals in the dining facility to staff personnel and visitors. CHNI amounts reflect inpatient care provided to personnel not eligible for care in a Navy MTF. The subsistence amounts reflect the number of days hospitalized in the MTF multiplied by the applicable subsistence rate for dependents and active duty members.

TABLE 3

REIMBURSEMENTS THAT INCREASE OBLIGATIONAL AUTHORITY

	FY90	FY91	FY92
CASH SALE OF MEALS	$84,000	$91,000	$91,000
CHNI CARE	$1,000	0	0
TPC	100	$91,000	$167,000
SUBSISTENCE	$247,000	$184,000	$137,000
TOTAL COLLECTIONS	$332,100	$305,000	$395,000
UNCOLLECTED SUBSIST	$9,130	$18,057	$14,328
TOTAL AVAILABLE	$341,230	$323,057	$409,328

This chapter started by examining the survey instrument used to conduct the analysis followed by a detailed discussion of MTF knowledge of the area of research. The referral process was analyzed along with the data collected. The chapter concluded with a glance at MTF reimbursables.

The final chapter of this analysis covers AQCESS MSA and MTF internal process changes necessary for efficiently pursuing the uncollected amounts. The chapter also contrasts the uncollected amounts against MTF obligational authority and reimbursables. The chapter closes with a cost and benefit analysis, Navy-wide implications from the analysis for Navy Medicine, and recommendations.

V. SUMMARY, CONCLUSIONS, RECOMMENDATIONS

A. MODIFICATION OF MSA

AQCESS MSA current version of software does not provide the capability to account for members hospitalized outside the MTF. The system tracks inpatient days for hospitalization within the MTF.

In order for the system to capture inpatient days from a referral, an additional field is necessary in the patient account. The additional field serves as an area for identifying the civilian or VA hospital the member was referred to for inpatient care.

A System Change Request (SCR) is required to initiate modification of the current version of AQCESS MSA. Upon request from the end user, a SCR is prepared and forwarded by the AQCESS MSA supervisor within the MTF to the cognizant Naval Healthcare Support Office for endorsement and information purposes. The SCR is subsequently submitted to the Naval Medical Information Management Center (NMIMC) located in Bethesda, Maryland.

Upon receipt of the SCR by NMIMC, the Command Configuration Control Board chaired by the AQCESS functional manager or project officer reviews the request. The review is conducted to determine the benefits, if any from the

modification and any associated cost that would be incurred as a result of an approved change not being within the scope of the centrally managed and funded software contract.

If the request is approved, it is forwarded to Electronic Data System (EDS) Corporation, the software contractor for AQCESS MSA.

Unless the request is considered significant enough to warrant immediate action, the most optimistic timeframe for a SCR to be approved and implemented is 3-4 months. Most approved SCRs are incorporated when upgrading the system software to a newer version for release to end users [Ref. 11].

B. MTF INTERNAL PROCESS CHANGES

Assuming the change suggested above is approved and executed, the MTF needs to modify a few internal processes to ensure that patient information is gathered, entered, and reflected in the patient accounting records.

The Command Referral Clerk (CRC) remains the focal point for both data collection and information transfer to the other functional areas within the MTF that are integral to the success of the effort. These two important areas include the Admissions Office and the Collection Agent Office.

After notification of an admission to a civilian or VA hospital, the CRC notifies the Admissions Office so that a patient account can be established for the hospitalized

member. The admissions clerk enters the usual patient information in MSA. The only additional procedure in this particular instant would be the need to enter the name of the hospital that the member is being referred to.

Upon discharge from the VA or civilian hospital, the CRC again informs the Admissions Office in order that the date of discharge can be entered in the patient account.

Since the member normally does not re-enter the MTF after discharge from the civilian or VA hospital, an involuntary pay adjustment authorization is eventually prepared and forwarded to the member's disbursing office by the Collection Agent.

The daily civilian and VA inpatient referral report generated by the CRC serves as a backup for the process. Since a copy of the report is sent to the Admissions Office and Collection Agent, personnel responsible for data input and billing in these respective areas are able to verify previous accounts established verbally.

C. EVALUATION OF THE UNCOLLECTED AMOUNTS

1. Uncollected Amounts as a Percent of MTF Authority

The first comparison analyzed the uncollected amounts as a percentage of MTF total obligational authority for each fiscal year. Refer to Table 4. Total authority for each fiscal year was obtained from funding documents at the MTF. Total authority includes funds for medical supplies, minor

equipment, travel, training, contracts, civilian labor, utilities and other mission essential items.

For each fiscal year, the uncollected amounts represented less than one-tenth of one percent of total obligational authority. The results of this comparison strongly suggest that the uncollected amounts are insignificant.

2. Uncollected Amounts as a Percent of Reimbursements

The uncollected amounts represent 2.7%, 5.6%, and 3.5% of total reimbursements respectfully for the MTF. The conclusions from this comparison are somewhat questionable as to whether or not any effort should be expended to collect these funds.

TABLE 4

MTF FUNDING AUTHORITY

	FY90	FY91	FY92
TOTAL AUTHORITY	27,548,000	31,053,300	30,946,000
UNCOLLECTED AMT	9,230	18,057	14,328
AVAIL AUTHORITY	27,557,230	31,071,357	30,970,328

3. Cost and Benefit Analysis

Assuming the additional manhours necessary to input data in AQCESS MSA and initiate collection of these funds

cannot be performed within normal operating hours by personnel assigned to these functions, the MTF has a few alternatives to consider. First, the MTF could assigned military personnel to perform the duties after normal operating hours. Secondly, the MTF could consider hiring a part-time employee. The third alternative is to offer overtime to personnel currently performing these functions.

Alternative 1 would require that training be provided to military personnel by the staff currently performing these functions. The additional users of AQCESS MSA would have to be given access to the system and work areas normally secured during operating hours and after hours to other staff personnel. The high turnover of military personnel within Patient Administration Department and Fiscal Department create difficulties in trying to maintain personnel knowledgeable of the process and collection system.

As indicated by observing Table 5, hiring a part-time employee to perform these functions is not a feasible solution. Total estimated hours required annually is 43. Again, a major issue with this alternative is training time and the fact that the part-time would only be needed for 43 hours annually. Also possibly impacting alternative 2 is any end strength constraints placed on the MTF by higher authority with regards to civilian personnel.

Alternative 3 utilizes existing personnel performing the functions and pays overtime for the additional hours

worked. Table 5 provides an estimate of the additional hours required to collect the uncollected amounts from Table 3. The 318 accounts noted in Table 5 were arrived at by physically counting the number of inpatient referral files in the database maintained by Fiscal Department personnel for each fiscal year. These three amounts were then averaged to arrive at 318. The 318 figure represents the additional patient accounts that would have to be maintained by the MTF per fiscal year for inpatient referrals.

As mentioned earlier, Table 5 lists the procedures and times required to complete the process. The times for each procedure represents an average arrived at through simulation of the process. Each person involved in the process performed the procedures listed in Table 5 under observation.

After estimating the average number of minutes required to handle one account, the result is multiplied by 318 to arrive at a total of 2,544 minutes per fiscal year. This amount is divided by 60 minutes which results in approximately 43 hours per fiscal year to maintain 318 additional patient accounts.

After determining the number of hours needed to handle the 318 accounts, the amount is multiplied by the average hourly pay rates received by general schedule employees grade level 4 and 5, step 5. Holding hourly pay rates constant over the 3 fiscal years and disregarding any type of geographical pay differences, the average hourly rate for these employees

is $9.10. The total amount of additional funds required to collect the amounts in Table 3 is approximately $391.00. The results are a net benefit of $8,839, $17,666, and $13,937 respectfully for each fiscal year (refer to Table 6). The additional cost for forms and envelopes were insignificant to the analysis.

TABLE 5

AVERAGE HANDLING TIME FOR ONE INPATIENT ACCOUNT

PROCEDURE	MINUTES
CRC PROVIDES REFERRAL DATA TO ADMISSIONS.	1.5
ADMISSIONS ENTRIES PATIENT DATA IN MSA.	8.0
CRC NOTIFIES ADMISSIONS OF DISCHARGE.	0.5
ADMISSIONS DISCHARGES MEMBER FROM MSA.	1.0
COLLECTION AGENT BILLS.	8.0
UPON RECEIPT OF FUNDS, UPDATE MSA.	1.0
AVERAGE TOTAL MINUTES FOR 1 ACCOUNT.	8.0
AVERAGE NUMBER OF ACCOUNTS PER FY YEAR.	318.0
TOTAL MINUTES PER FY FOR 318 ACCOUNTS.	2544.0
TOTAL HOURS PER FY FOR 318 ACCOUNTS.	43 hrs

TABLE 6

RESULTS FROM COST BENEFIT ANALYSIS

	FY90	FY91	FY92
UNCOLLECTED AMOUNTS	$9,230	$18,057	$14,328
COST FOR 318 ACCOUNTS	$391	$391	$391
NET BENEFIT	$8,839	$17,666	$13,937

D. NAVY-WIDE IMPLICATIONS FOR MEDICAL TREATMENT FACILITIES

Part I of the questionnaire used to conduct the analysis at Naval Hospital, Long Beach was also employed to accumulate general information on 3 additional MTFs regarding the area of research. Information was obtained through telephone interviews. Part II of the questionnaire was not used at these activities.

The purpose of the analysis conducted at these activities was to determine whether or not similar conclusions would be arrived at. The below comments were noted from the telephone conversations. These comments were consisted across MTFs.

- Each MTF possessed directives for the functional areas involved in the process.
- The Collection Agent directive did not address the issue of collections from referral to civilian and VA hospitals for inpatient care.
- Personnel in the Collection Agent were unaware of the provisions to collect these funds.

- Collection Agent personnel did not know whether or not MSA allowed establishment of inpatient referral accounts.
- Inpatient referral data was maintained by the MTFs in varying levels of detail.
- Training on AQCESS MSA was similar to that found at Naval Hospital, Long Beach.

E. RECOMMENDATIONS

Based on the results of this analysis, Naval Hospital, Long Beach should proceed with collection of the amounts listed in Table 2, if the proposed system change to AQCESS MSA is approved by NMIMC Configuration Control Board. This conclusions was arrived at by giving the cost and benefit analysis the highest weight and priority for decision making.

After implementation of the system change, NMIMC should provide notification to all end users of the system enhanced capability. Since MTFs are unaware of the requirement to collect these funds, concurrently, BUMED should provide guidelines to all MTFs about the requirement to collect subsistence from members hospitalized in civilian and VA hospitals.

A decision to proceed with collection of the funds after system modification must also include whether or not the collection effort should start retroactively or currently. Attempts to collect funds from previous fiscal years likely will be hampered by attempts to track personnel who have transferred to other activities. Military locator systems could be used to locate personnel who have transferred, but

this has the potential of being extremely labor intensive. Also problems arise when members have been released from active duty.

In the event that NMIMC disapproves the system change, then serious consideration must be given to whether or not any attempt should be made to collect the funds. If MTFs were directed by BUMED to collect these funds without a change to the software, then a separate set of records would have to be maintained manually along with the added task of preparing manual pay adjustment authorizations.

F. CONCLUSIONS

The primary purpose of the analysis was to evaluate Naval Hospital, Long Beach efforts to recapture subsistence cost for inpatient care provided to members by civilian and VA hospitals. A preface to understanding the analysis was a breakdown of the organizational structure of the Navy Medical Department. This included a detail examination of Naval Hospital, Long Beach organizational structure, key departments and personnel.

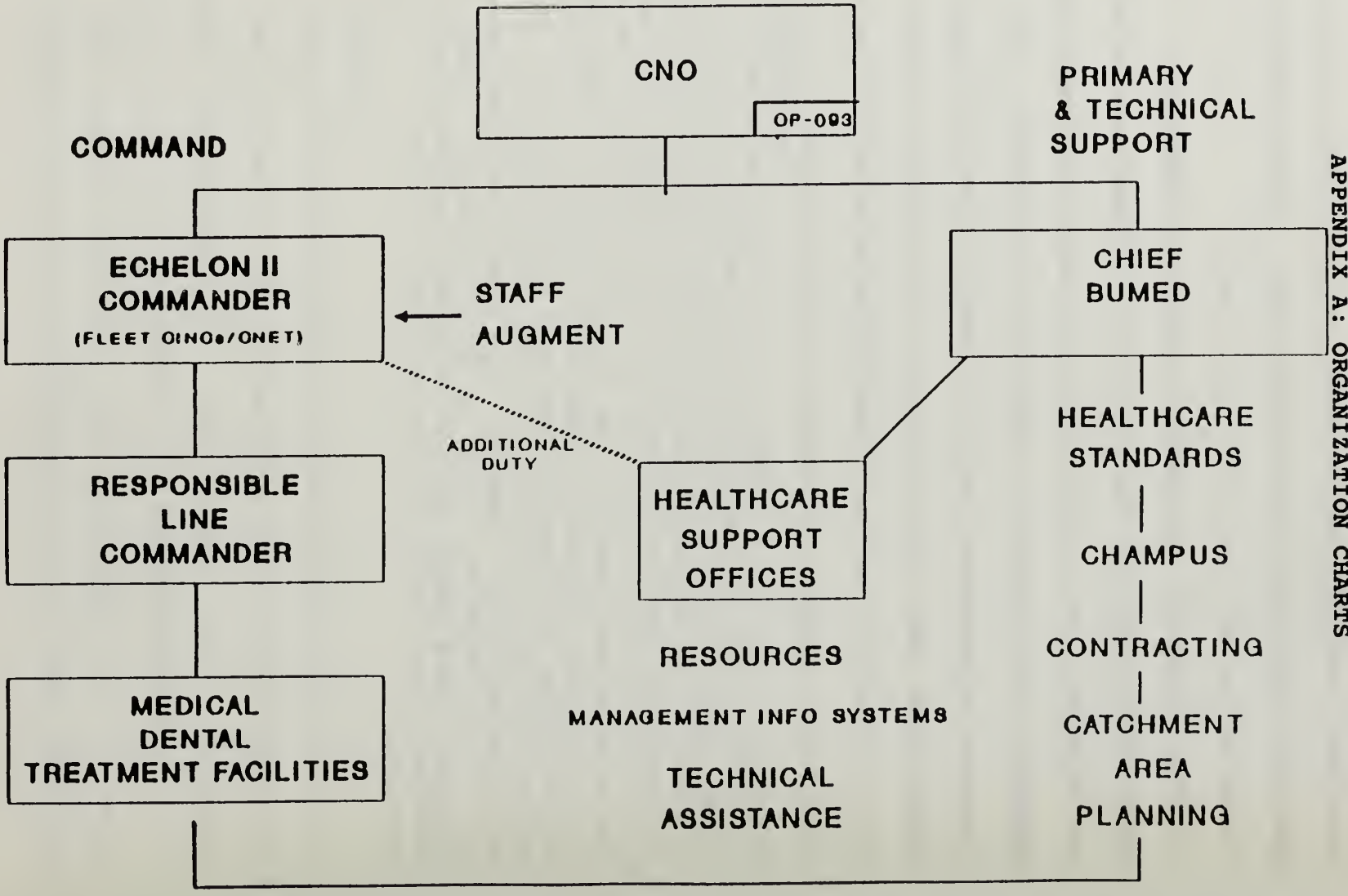
Many of the key programs and functions directly related to the area of research were discussed such as supplemental care, hospital reimbursements, AQCESS MSA, pay adjustment authorizations, and collection of subsistence cost.

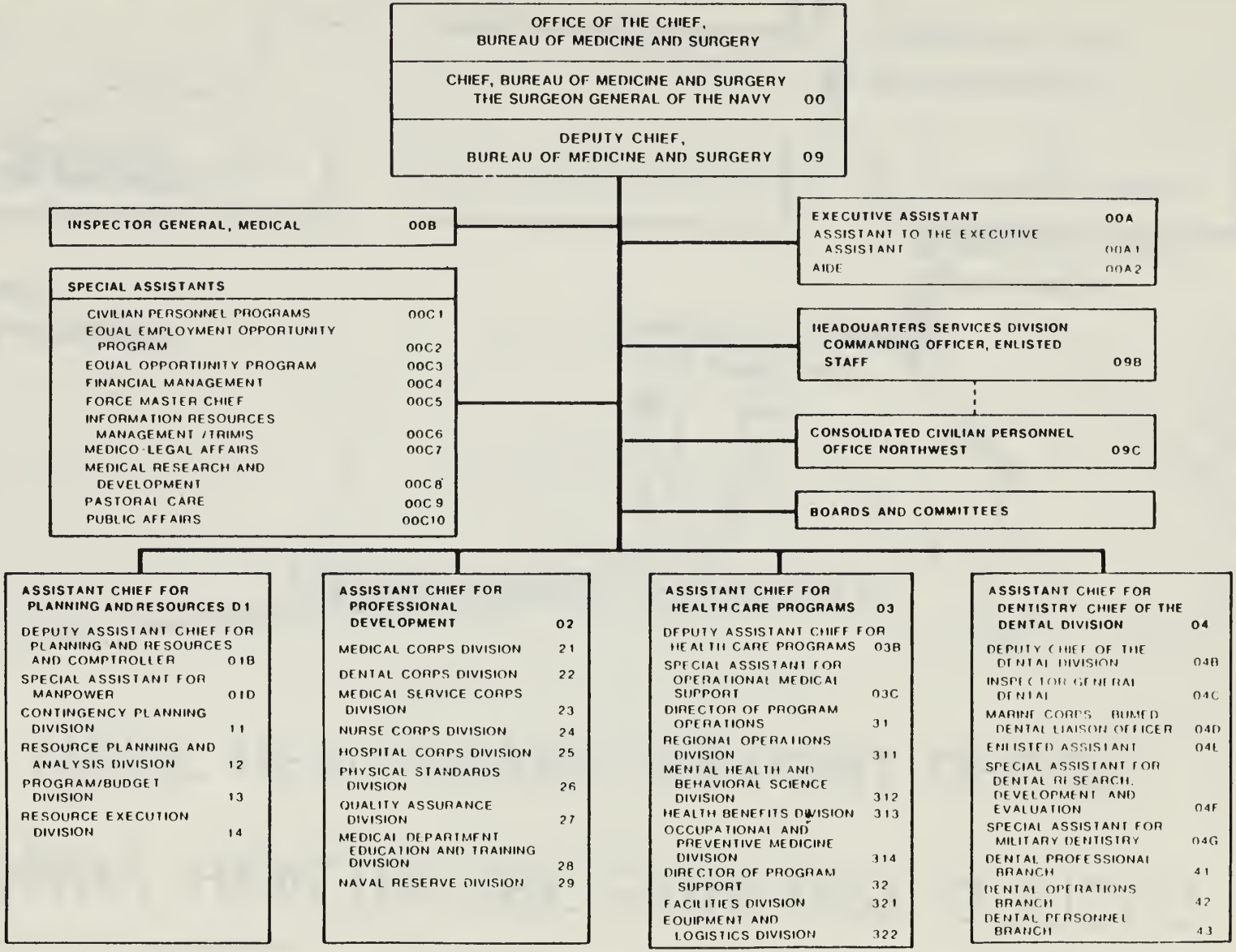
The analysis entailed the development of a survey instrument which would guide the collection of data, determine

the level of knowledge regarding the area of research, and provide a mechanism for estimating the amounts available for recapture by Naval Hospital, Long Beach.

The analysis concluded with an assessment of the uncollected amounts against MTF obligational authority, reimbursements. In addition, a cost and benefit analysis was performed to determine potential benefits, if any. No concrete conclusions could be deduced from the first two comparisons since the outcomes are subjective. However, the cost and benefit analysis strongly supports recapture of the uncollected amounts contingent on modification to AQCESS MSA software. The major obstacle in collecting from previous fiscal years is the considerable time lapse and difficulties in obtaining current information on the members that make up the uncollected accounts. The fact remains that many members are no longer stationed at the same duty station and may not be in the military. However, this should not preclude Naval Hospital, Long Beach efforts to pursue current fiscal year accounts.

NAVY MEDICINE ORGANIZATION

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INSPECTOR GENERAL, MEDICAL 00B
SPECIAL ASSISTANTS
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EQUAL OPPORTUNITY PROGRAM 00C3
FINANCIAL MANAGEMENT 00C4
FORCE MASTER CHIEF 00C5
INFORMATION RESOURCES MANAGEMENT /TRIMIS 00C6
MEDICO-LEGAL AFFAIRS 00C7
MEDICAL RESEARCH AND DEVELOPMENT 00C8
PASTORAL CARE 00C9
PUBLIC AFFAIRS 00C10
EXECUTIVE ASSISTANT 00A
ASSISTANT TO THE EXECUTIVE ASSISTANT 00A1
AIDE 00A2
HEADQUARTERS SERVICES DIVISION COMMANDING OFFICER, ENLISTED STAFF 09B
CONSOLIDATED CIVILIAN PERSONNEL OFFICE NORTHWEST 09C
BOARDS AND COMMITTEES
ASSISTANT CHIEF FOR PLANNING AND RESOURCES D1
DEPUTY ASSISTANT CHIEF FOR PLANNING AND RESOURCES AND COMPTROLLER 01B
SPECIAL ASSISTANT FOR MANPOWER 01D
CONTINGENCY PLANNING DIVISION 11
RESOURCE PLANNING AND ANALYSIS DIVISION 12
PROGRAM/BUDGET DIVISION 13
RESOURCE EXECUTION DIVISION 14
ASSISTANT CHIEF FOR PROFESSIONAL DEVELOPMENT 02
MEDICAL CORPS DIVISION 21
DENTAL CORPS DIVISION 22
MEDICAL SERVICE CORPS DIVISION 23
NURSE CORPS DIVISION 24
HOSPITAL CORPS DIVISION 25
PHYSICAL STANDARDS DIVISION 26
QUALITY ASSURANCE DIVISION 27
MEDICAL DEPARTMENT EDUCATION AND TRAINING DIVISION 28
NAVAL RESERVE DIVISION 29
ASSISTANT CHIEF FOR HEALTHCARE PROGRAMS 03
DEPUTY ASSISTANT CHIEF FOR HEALTH CARE PROGRAMS 03B
SPECIAL ASSISTANT FOR OPERATIONAL MEDICAL SUPPORT 03C
DIRECTOR OF PROGRAM OPERATIONS 31
REGIONAL OPERATIONS DIVISION 311
MENTAL HEALTH AND BEHAVIORAL SCIENCE DIVISION 312
HEALTH BENEFITS DIVISION 313
OCCUPATIONAL AND PREVENTIVE MEDICINE DIVISION 314
DIRECTOR OF PROGRAM SUPPORT 32
FACILITIES DIVISION 321
EQUIPMENT AND LOGISTICS DIVISION 322
ASSISTANT CHIEF FOR DENTISTRY CHIEF OF THE DENTAL DIVISION 04
DEPUTY CHIEF OF THE DENTAL DIVISION 04B
INSPECTOR GENERAL DENTAL 04C
MARINE CORPS BUMED DENTAL LIAISON OFFICER 04D
ENLISTED ASSISTANT 04L
SPECIAL ASSISTANT FOR DENTAL RESEARCH, DEVELOPMENT AND EVALUATION 04F
SPECIAL ASSISTANT FOR MILITARY DENTISTRY 04G
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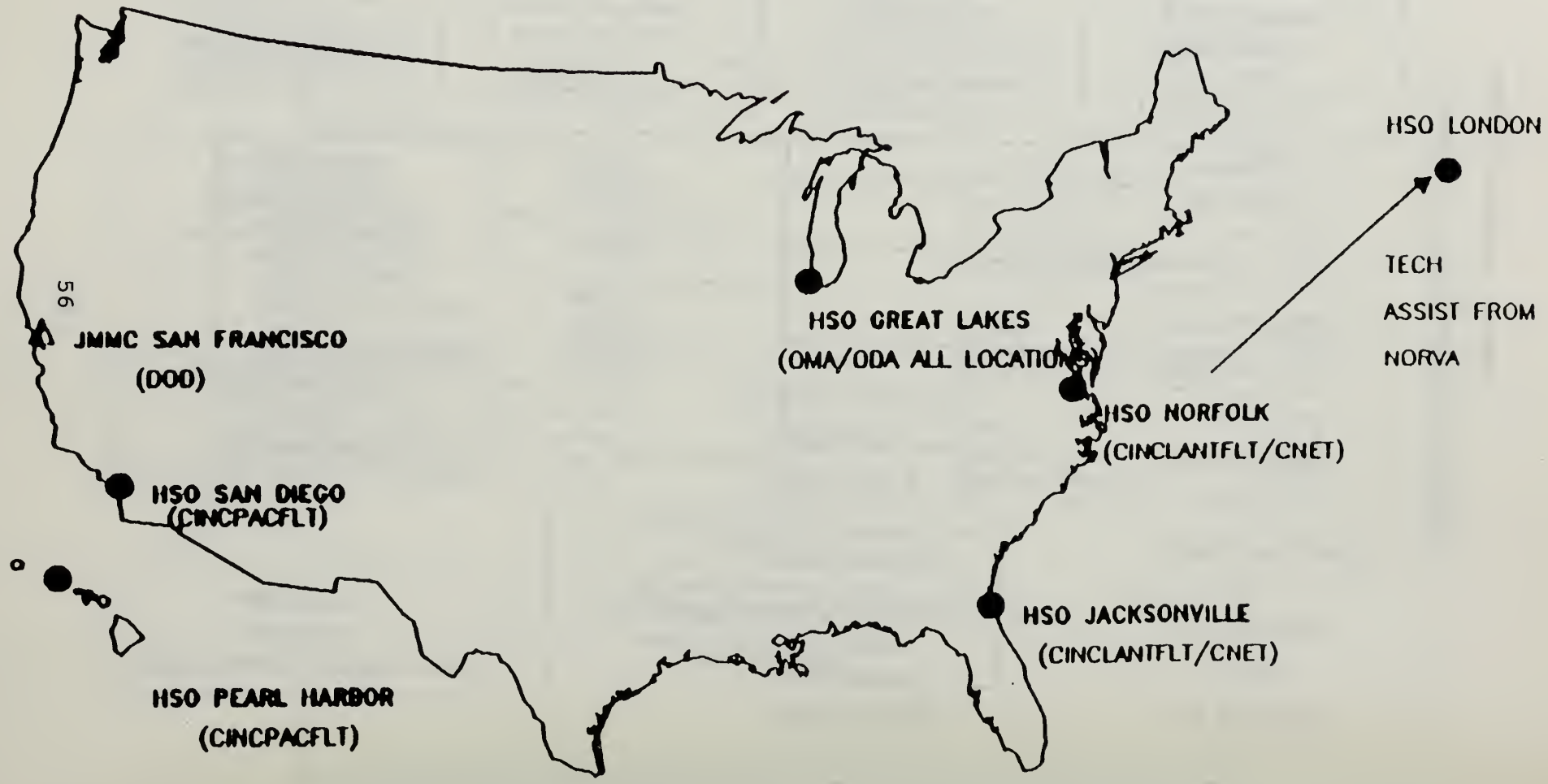
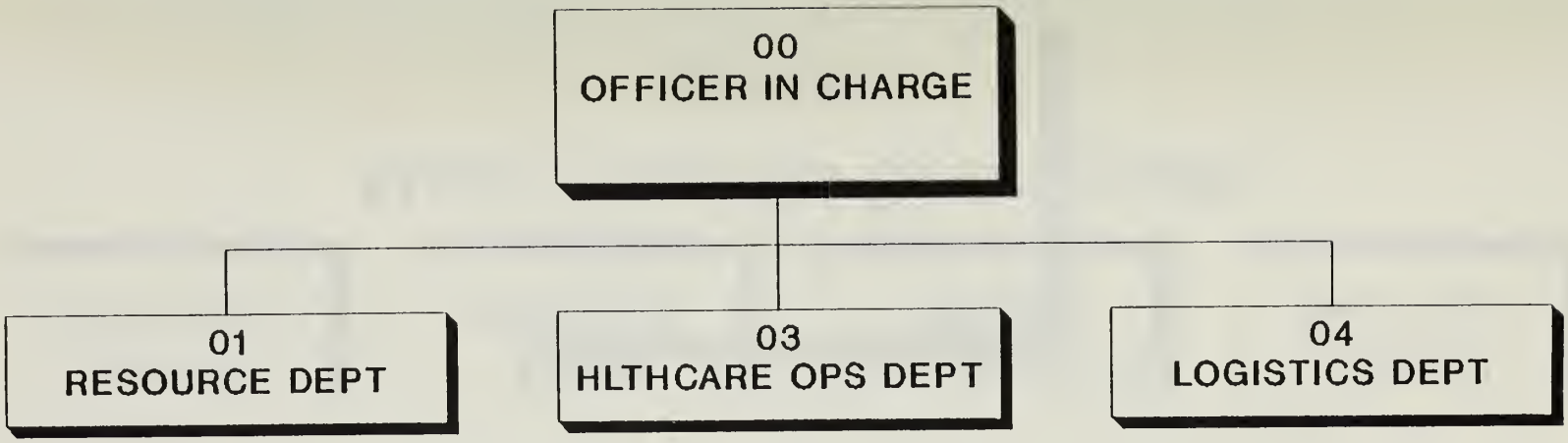
DENTAL PERSONNEL BRANCH 43

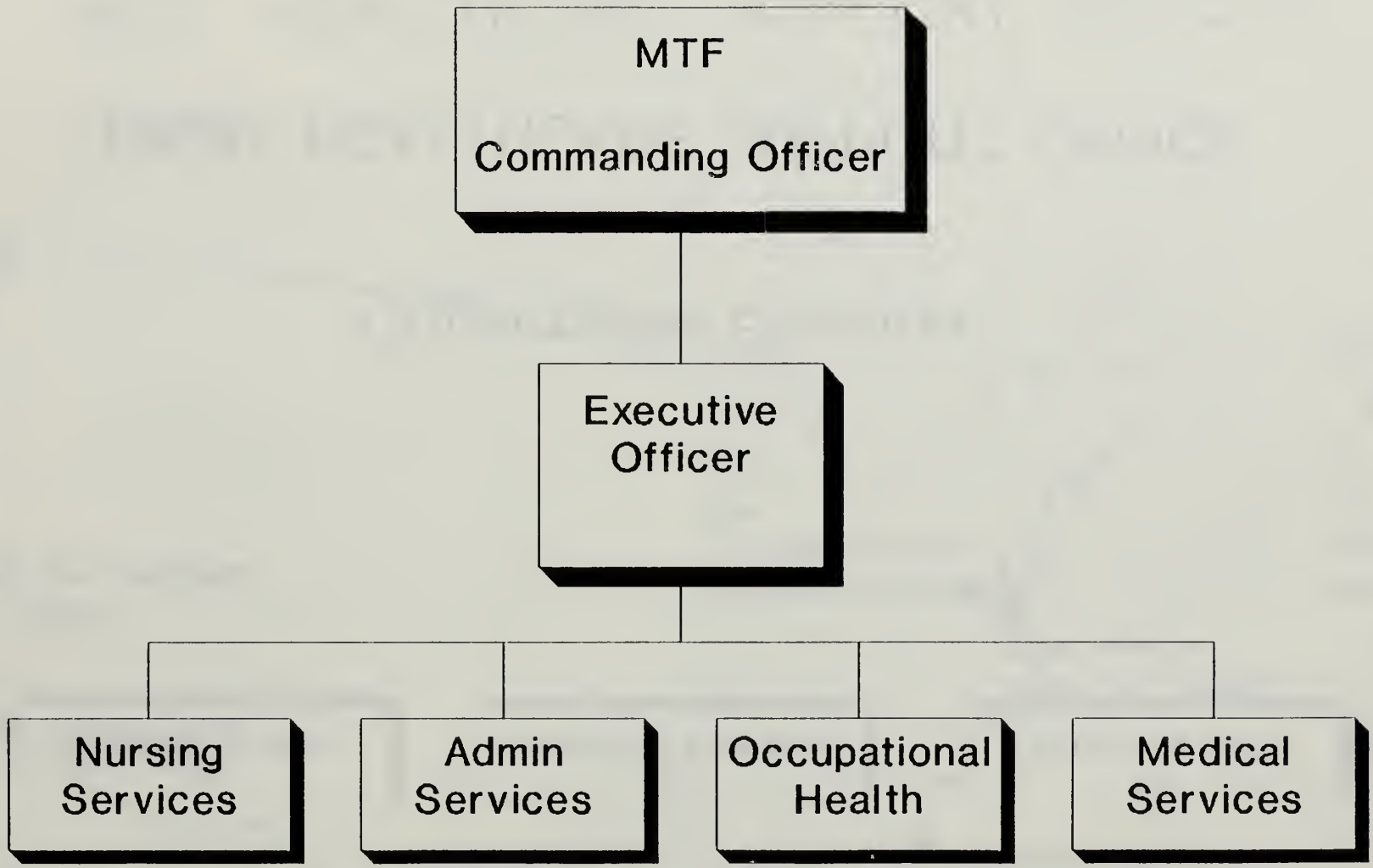
NAVY HEALTHCARE SUPPORT OFFICES



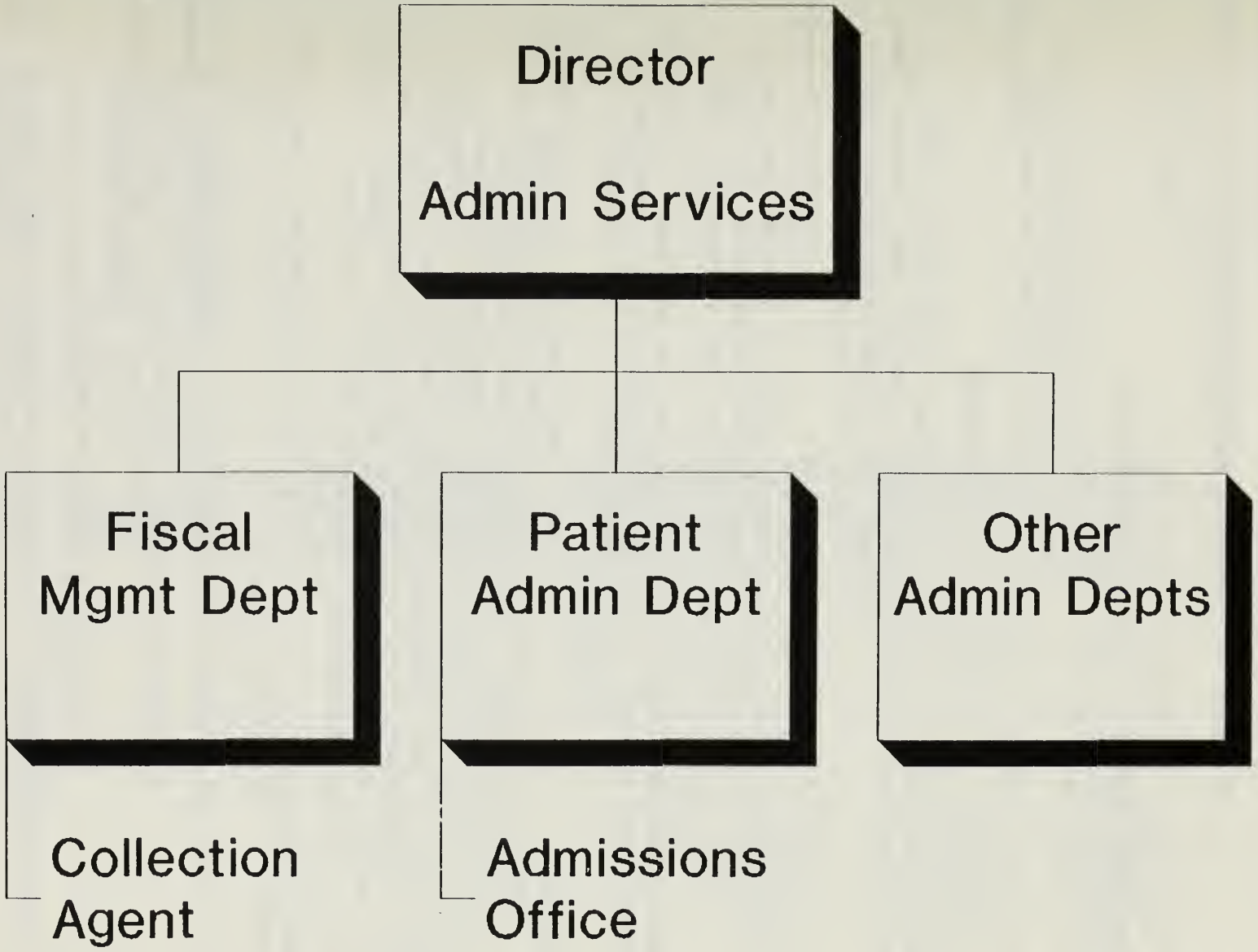


Organization Structure

NAVAL HEALTHCARE SUPPORT OFFICE



Major Hospital Directorates



Hospital Organizational Chart

APPENDIX B: SERVICES AVAILABLE AT MTF

Department/Service	Availability
Alcohol Rehabilitation	Evaluation and treatment of addiction disorders are available to all adult patient categories.
Cardiac Surgery	NOT AVAILABLE
Clinical Nutrition	All patient categories. New patients require Consultation Sheet (SF-513). Appointments are made through the Central Appointments Desk.
Dental	A full range of general dentistry services are available for staff and active duty inpatients only.
Oral Surgery	All patient categories. Patients are requested to call the Dental Department at (310) 420-5368.
Dermatology	Active duty patients by appointment only. Services for CHAMPUS eligible beneficiaries are available only on Monday and Tuesday afternoons or Wednesday and Friday mornings. Consultation Sheet (SF-513) is required for active duty only. Contact Central Appointments to schedule.
Emergency Medicine Department	All patient categories. Level III.
Family Practice	Appointments and pap smears are available for Family Practice members only. Membership open to Naval Hospital, Long Beach staff personnel only. Contact Central Appointments to schedule.
Colposcopy Clinic	Open to all active duty members and their dependents. Consultation Sheet (SF-513) required for colposcopy.

Department/Services	Availability
Family Practice (cont.)	
Immunizations	All patient categories, age five and above. Services available Monday through Friday 0730-1100 and 1300-1500. For further information call (310) 420-5409.
Gynecology	Active duty and CHAMPUS eligible females. Active duty females require DD 2161 (Referral for Civilian Medical Care). CHAMPUS beneficiaries require Consultation Request (SF-513). Contact Central Appointments to schedule.
Internal Medicine	Active duty only. Military providers may call for patients' appointments without preapproval for non-procedural evaluations. Procedures listed below are available for all patient categories. Appointments will be made directly through the Central Appointments Desk at (310) 420-5586.
Echocardiography	All patient categories except pediatrics. Consultation Sheet (SF-513) required. Appointments are made through Central Appointment Desk. Emergency and 72 hour consultations are forwarded directly to Internal Medicine for review. For further information call (310) 420-5550/5549.
EKG	All patient categories
Holter Monitoring	All patient categories
Pulmonary Function Testing	All patient categories
Treadmill Stress Tests	Active duty only
24 Hour Blood Pressure Monitoring	All patient categories

Department/Services	Availability
Optometry	Active duty and limited appointments available for retirees and dependents. Contact Central Appointments to schedule.
Eye Exams	Active duty appointments are available. Limited appointments for dependents and retirees.
Low Vision	Limited availability
Military Spectacles/ Eyewear	Active Duty and retirees only. An eye examination is not needed if the written prescription (civilian or military) is less than one year old.
Orthopedics	Active duty only. A Consultation Sheet (SF-513) required for referral of a patient for initial evaluation. Consultations are prioritized by the department head, and the patient notified by Central Appointments of his/her appointment date and time. Follow-up appointments are made by the patient through Central Appointments. Patients must bring health records and x-ray's to appointment and should be in Uniform of the Day.
Hand Surgery	Active duty only. (See also Surgery)
Podiatry	Active duty only
Otorhinolaryngology	Active Duty Only-all branches of service. New Consultation Sheet (SF-513) submitted via Fleet Liaison. Follow-ups made within clinic.
Allergy	NOT AVAILABLE
Audiology	Active Duty only
Speech Pathology	NOT AVAILABLE

Department/Services	Availability
Mental Health	Active duty only. Quarterly smoking cessation sessions are available. Individual marital or group therapy, psychological testing, stress management, and general support group intervention are available as well. Inpatient treatment is provided through contract service providers.
Neurology	NOT AVAILABLE
Obstetrics	NOT AVAILABLE
Occupational Health	Environmental Health/Preventive Medicine, Occupational Medicine, Industrial Hygiene and Occupational Optometry and Audiology are available for active duty and civil service personnel. For further information call (310) 521-4301.
Occupational Therapy	NOT AVAILABLE
Ophthalmology	Appointments for active duty patients with Consultation Sheet (SF-513) are to be made through clinic.
Electrophysiologic Studies	NOT AVAILABLE
Eye and Adnexa	Limited availability
Angiography	All patient categories
Glaucoma Surgery (including lasers)	Limited availability
Intraocular Lens Implantation	All patient categories
Neuro-ophthalmic Surgery	NOT AVAILABLE
Pediatric Ophthalmology	Limited availability
Retinal Surgery (including lasers)	Limited availability

Department/Services	Availability
Patient Education Division	All patient categories. No appointments required. Pamphlets are available and films are shown in Education & Training Office, 3 South.
Wellness Coordinator	Active duty only. Referral through medical department representative. Visits to Branch Medical Clinic, Terminal Island twice a month, call (310) 521-5223 for appointment. For further information on wellness programs or appointment at hospital call (310) 420-5270.
Pediatrics	Appointments are available for dependents fifteen years of age or younger. Contact Central Appointments directly to schedule. For urgent consultations, call the duty Pediatrician for medical advice at (310) 420-5318. No consults are needed for routine PEDS appointments. Routine physical exams are available. Limited pediatric inpatient service available.
Immunizations	All patient categories age 5 years & below as ordered by physician every day. Walk-in Clinic, Monday, Wednesday & Friday, 1-3 p.m. For information call (310) 420-5318.
Well Baby Clinic	Available for dependents two years of age or younger. Appointments are available according to age of the child. For further information, call (310)420-5586. *For urgent same day appointment, call Pediatric Clinic starting at 0800 Monday - Friday.

Department/Services	Availability
Pediatrics (cont.)	
Neuro/Cardiac	One day each month. By consultation only.
Pediatric Telephone Hour	0800 - 1600 Monday - Friday by calling 420-5318, resource for questions regarding health care.
Pharmacy	All patient categories
Physical Therapy	Active duty only. Consultation Sheet (SF-513) required. Contact Physical Therapy clinic directly at (310) 420-5371/481 to schedule an appointment.
Primary Care Clinic	Appointments available for all CHAMPUS-eligible beneficiaries. Contact Central Appointments for scheduling.
Cardiology	All CHAMPUS-eligible beneficiaries
Gastroenterology	All CHAMPUS-eligible beneficiaries
Internal Medicine	All CHAMPUS-eligible beneficiaries
Pap smears	All CHAMPUS-eligible beneficiaries
Treadmill Stress Tests	All CHAMPUS-eligible beneficiaries
Holter Monitor	All CHAMPUS-eligible beneficiaries
Radiology	All patient categories. For specific tests call the Radiology Department at (310) 420-5500.
Nuclear Medicine	All patient categories
Ultrasound Services	All patient categories
MRI/CT Scans/Mammography	All patient categories
Social Services	All patient categories. Submit a Consultation Sheet (SF-513) or call the Social Work Department directly for an appointment at (310) 420-5120.

Department/Services	Availability
Surgery	
General Surgery	Active duty only. Consultation Sheet (SF-513) required. Contact Central Appointments to schedule.
Plastic Surgery	All CHAMPUS-eligible beneficiaries. Hand surgery, congenital abnormalities, burns (up to 20% of body surface), various cancer treatment procedures, and reconstructive surgery. NO cosmetic procedures, (Breast reduction is NOT cosmetic).
Thoracic Surgery	All patient categories
Vascular Surgery	NOT AVAILABLE
Urology	Active duty including vasectomy and all CHAMPUS-eligible beneficiaries. Consultation sheet (SF-513) is required. Contact the Urology Clinic directly for scheduling the appointment at (310) 420-5461. For active duty emergent and urgent, call Urology Clinic for Medical Officer status.

LIST OF REFERENCES

1. Glossary of Healthcare Terminology, Bureau of Medicine and Surgery (BUMED) Instruction 6320.69 of 7 November 1989.

2. Department of Defense Military Pay and Allowance Manual.

3. Naval Medical Command Instruction 6320.1A of 11 June 1987.

4. Manual of the Medical Department, U. S. Navy, Chapter 1.

5. Mission and Functions of Naval Healthcare Support Office, BUMED 5450.156 of 23 June 1990.

6. Navy Comptroller Manual, Volume 6.

7. Organizational Manual for Naval Hospital, Long Beach, California of 4 January 1991.

8. AQCESS Medical Services Accounting Manual.

9. Joint Federal Travel Regulations, Volume I, Chapter 7, Part 1.

10. Navy Medical Resources Management Handbook, NAVMED P5020.

11. Telephone conversation between LT Phillip E. Jackson and LT Blausey, Assistant Project Officer for AQCESS MSA.

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